

EXHIBIT 4  
DATE 2/8/13  
HB 363

February 7, 2013

Pam Bucy  
Commissioner of the Montana Department of Labor & Industry  
P.O. Box 1728  
Helena MT 59624-1728

*RE: Concerns regarding the Board of Realty Regulation Staffing and Continuing Ed and License Renewal Systems*

Dear Commissioner Bucy:

As you begin your service as the Commissioner of the Montana Department of Labor & Industry, and as the Montana legislative session commences, we write to express our concerns for a specific program of the Department – the Board of Realty Regulation (“BRR”).

The undersigned are Executive Officers of nine REALTOR® Associations across Montana, which serve approximately 3,000 REALTORS® who hold their real estate licenses in Montana. In our positions we work with the BRR and its DoLI staff regularly as do our REALTOR® members.

First and foremost, we truly appreciate the BRR staff (Grace Berger, Barb McAlmond, Stacey Fossum, Marilyn Willson, and Teri Smith). They serve the public and the licensees very well and we know are working tremendously hard to keep up with their workload. Our issue comes not from their work, but from the amount of work imposed on these DoLI employees and the resulting delays which are inevitable, and some technological limitations at BRR which result in additional workload and frustration for all.

First, over the course of the past few years the BRR’s structure has apparently changed and DoLI staff now operates in a “pool” format, providing services to a number of licensing boards. Licensees report that they call the BRR and find it difficult to speak with a “live” person and when they do it is rarely the same person or one who is familiar with the BRR and the licensing of real estate salespersons and brokers. Licensees need to know who they are contacting and licensing issues sometimes take time to resolve – having consistency of personnel dealing with licensee issues is imperative.

As an example of a licensee’s experience with the “pool,” we have attached a letter from Licensee Kim Schilling which details the time delay and frustration when she was trying to transfer her license from one supervising broker to another.

Second, it appears that the BRR needs more staff to complete the tasks necessary. Keep in mind, many of the tasks are very time-sensitive – when a license is being issued, or is returned, for example because a licensee has changed supervising brokers, that licensee is out of work until the license is processed and returned by BRR. Delay costs licensees money and causes great frustration with the BRR. As course providers, REALTOR® Associations submit courses for BRR approval and lately we are waiting 3-5 weeks to get responses, all the while waiting to advertise the course, to make travel reservations for speakers, etc., all of which cost us money. As you are well aware, instruction of real estate licensees requires a

broad and comprehensive knowledge of real estate laws. Accordingly, the review and approval or denial of real estate courses also requires an understanding of the material. Thus, having a designated BRR staff person, who is trained in the review of real estate courses is imperative.

Third, the BRR website and "Continuing Education Look-Up Service" needs to be improved to better serve licensees and the public. There are two aspects of the license renewal/continuing education site needing attention to better serve the public and real estate licensees.

- (1) The license look up system: In January many licensees recently received a postcard informing them that they renewed their licenses but failed to meet the education requirements. The postcard did not provide them any instruction of what they should do to remedy the shortfall.

The licensees looked at the "Look Up Reported CE Credits" from the BRR website, and were surprised that no education from 2012 showed up. BRR staff informed them that the credits for 2012 are "wiped off" the website, and so to prove that they took a course in 2012, the licensee must submit certificates of completion for all courses completed in 2012, even those that the course provider submitted after the course. It seems like such an easy thing – allow licensees to review their course completions for each specific year, keeping that information available for years to come.

- (2) The license renewal system: Licensee log on and renew their licenses and affirm they have completed the required education for that year. The BRR system accepts their payment and their renewal online without ever checking the completed education reported for that licensee that year.

While we know some licensees may be trying to avoid education, in our experience most make the affirmation that they have completed the education truly believing they have – they are not trying to be fraudulent, but with a click of a button they expose themselves to sanctions by the BRR, when the DoLI computer system should be able to reject a renewal if the reported education is insufficient. If a licensee has not completed the required education, when he renews his license and submits that renewal online, the computerized system should respond with a message such as "You have not completed the required education to renew at this time" thereby giving the Licensee notice and an opportunity to complete the education.

Commissioner Bucy, as you begin your tenure at the DoLI and evaluate your department, its divisions and programs, we urge you to provide the BRR with autonomy to keep the BRR staff consistent, to provide enough staff to the BRR to perform the timely tasks demanded, and to ensure that the BRR staff members are knowledgeable about real estate licensing. We request that you evaluate the BRR website and education look up and license renewal functions to better serve real estate licensees in Montana.

We understand and appreciate the time constraints you must be experiencing during this legislative session, and request an opportunity to meet with you to further discuss our concerns. In the meantime, should you have any questions, please feel free to contact any one of us. We look forward to hearing from you.

Sincerely,

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